

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

LIGHTSQUARED INC., *et al.*,¹

Debtors.

)
) Chapter 11
)
) Case No. 12-12080 (SCC)
)
) Jointly Administered
)

**FOURTH SUPPLEMENTAL DECLARATION OF
EUGENE F. ASSAF, P.C. IN SUPPORT OF DEBTORS' APPLICATION
FOR ENTRY OF AN ORDER PURSUANT TO SECTION 327(e) OF THE
BANKRUPTCY CODE AUTHORIZING AND APPROVING EMPLOYMENT
AND RETENTION OF KIRKLAND & ELLIS LLP AS SPECIAL LITIGATION
COUNSEL FOR DEBTORS EFFECTIVE *NUNC PRO TUNC* TO THE PETITION DATE**

I, Eugene F. Assaf, being duly sworn, state the following under penalty of perjury.

1. I am a partner in the law firm of Kirkland & Ellis LLP ("K&E"),² located at 655 15th Street, N.W., Washington, DC 20005.

2. On May 14, 2012 (the "Petition Date"), each of the above captioned debtors and debtors in possession (collectively, the "Debtors") filed a petition with this Court under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code").

3. On May 29, 2012, the Debtors filed an application to employ and retain K&E as special litigation counsel for the Debtors [ECF No. 75] (the "Application") pursuant to section 327(e) of the Bankruptcy Code, Rule 2014(a) of the Federal Rules of Bankruptcy

¹ The debtors in these chapter 11 cases, along with the last four digits of each debtor's federal or foreign tax or registration identification number, are: LightSquared Inc. (8845), LightSquared Investors Holdings Inc. (0984), One Dot Four Corp. (8806), One Dot Six Corp. (8763), SkyTerra Rollup LLC (N/A), SkyTerra Rollup Sub LLC (N/A), SkyTerra Investors LLC (N/A), TMI Communications Delaware, Limited Partnership (4456), LightSquared GP Inc. (6190), LightSquared LP (3801), ATC Technologies, LLC (3432), LightSquared Corp. (1361), LightSquared Finance Co. (6962), LightSquared Network LLC (1750), LightSquared Inc. of Virginia (9725), LightSquared Subsidiary LLC (9821), Lightsquared Bermuda Ltd. (7247), SkyTerra Holdings (Canada) Inc. (0631), SkyTerra (Canada) Inc. (0629) and One Dot Six TVCC Corp. (0040). The location of the debtors' corporate headquarters is 10802 Parkridge Boulevard, Reston, VA 20191.

² Capitalized terms used but not otherwise defined herein shall have the meanings set forth in the Application (as defined herein).

Procedure (the “Bankruptcy Rules”), and Rule 2014-1 of the Local Bankruptcy Rules for the Southern District of New York. My declaration in support of the Application (the “Original Declaration”) was attached to the Application as Exhibit A.

4. On June 8, 2012, I submitted a supplemental declaration [ECF No. 101] (the “First Supplemental Declaration”) to provide additional information in accordance with Rule 2014(a) of the Bankruptcy Rules.

5. On June 11, 2012, the Court granted the Application [ECF No. 128] (the “Retention Order”).

6. On January 7, 2013, I submitted a second supplemental declaration [ECF No. 480] (the “Second Supplemental Declaration”) to provide additional information in accordance with Rule 2014(a) of the Bankruptcy Rules.

7. On January 24, 2014, I submitted a third supplemental declaration [ECF No. 1262] (the “Third Supplemental Declaration” and, together with the First Supplemental Declaration and the Second Supplemental Declaration, the “Supplemental Declarations”).

8. I hereby incorporate by reference and adopt and affirm all of the representations and disclosures contained in the Original Declaration and the Supplemental Declarations.

9. In connection with the Application and the Supplemental Declarations, I submit this fourth supplemental declaration (this “Fourth Supplemental Declaration”) to provide additional information in accordance with Rule 2014(a) of the Bankruptcy Rules. Unless otherwise stated in this Fourth Supplemental Declaration, I have personal knowledge of the facts set forth herein.

Results of Conflicts Searches

10. In connection with our proposed employment by the Debtors, K&E undertook to determine whether I or K&E have any conflicts or other relationships that might cause us to hold or represent an interest adverse to the Debtors or their estates with respect to the matters on which K&E is being employed. Specifically, K&E obtained from the Debtors and/or their representatives the names of individuals and entities that may be parties in interest in these Chapter 11 Cases. Such parties are listed on Schedule 1 to the Original Declaration. Furthermore, Schedule 2 to the Original Declaration sets forth K&E's connections with the Debtors, creditors, any other party in interest, their respective attorneys and accountants, the United States Trustee, or any person employed in the office of the United States Trustee.

11. K&E has updated its conflicts searches with respect to certain entities whose names had previously been the subject of a conflict search performed in connection with these Chapter 11 Cases (such searches, the "Update Searches"). **Schedule 1** lists the client connections found as a result of the Update Searches.³

12. Of the clients listed on **Schedule 1**, only one client represented more than one percent of K&E's fee receipts for the twelve-month period ended on May 31, 2014. K&E currently represents Bain Capital Partners LLC ("Bain Capital") and its affiliates in a number of different matters unrelated to these Chapter 11 Cases. Bain Capital is a portfolio parent of BMC Software Inc., an entity listed on the Debtors' schedules of assets and liabilities and statements of financial affairs. Bain Capital represented more than one percent of K&E's fee receipts for the

³ On **Schedule 1**, (i) the term "current client" means a client for whom the last time entry was posted during the 12 months before the Petition Date, (ii) the term "former client" means a client for whom the last time entry was posted between 12 and 36 months before the Petition Date, and (iii) the term "closed client" means a client for whom the last time entry was posted in the 36 months before the Petition Date, but the client representation has been closed. As a general matter, K&E discloses connections with former clients or closed clients for whom time entries were posted in the last 36 months, but does not disclose connections if time was billed more than 36 months before the Petition Date.

twelve month period ended May 31, 2014. K&E's previous and current representations of Bain Capital have been and are unrelated to the Debtors or these Chapter 11 Cases.

13. While K&E does not believe that this connection presents a conflict, K&E has disclosed this connection out of an abundance of caution.

Continued Vigilance

14. To the best of my knowledge, none of the representations described herein, in the Supplemental Declarations, or in the Original Declaration are adverse to the interests of the Debtors' estates that are the subject of K&E's representation as special litigation counsel.

15. K&E will continue to review its files periodically during the pendency of these Chapter 11 Cases to ensure that no conflicts or other disqualifying circumstances exist or arise. If any new relevant facts or relationships are discovered or arise, K&E will use reasonable efforts to identify such further developments and will file promptly a supplemental declaration, as required by Bankruptcy Rule 2014(a).

Professional Compensation

16. In the Original Declaration, the Second Supplemental Declaration, and the Third Supplemental Declaration, I disclosed K&E's billing rates in effect at that time for matters related to these Chapter 11 Cases. I also disclosed that the billing rates are subject to periodic adjustments to reflect economic and other conditions. Pursuant to the Retention Order, K&E must provide notice of changes to its billing rates during these Chapter 11 Cases.

17. In accordance with ordinary practice, some billing rates for partners will change effective as of June 1, 2014. The rates will change due to rate increases.⁴ K&E's billing rates that will take effect on June 1, 2014 for matters related to these Chapter 11 Cases range as follows:⁵

Billing Category	Range
Partners	\$665 - \$1,295
Of Counsel	\$415 - \$1,195
Associates	\$450 - \$835
Paraprofessionals	\$170 - \$355

18. In accordance with ordinary practice, some billing rates for associates will change effective as of July 1, 2014. The rates will change due to rate increases or promotion, although K&E does not typically disclose changes to billing rates resulting from promotion. K&E's billing rates that will take effect on July 1, 2014 for matters related to these chapter 11 cases range as follows:⁶

Billing Category	Range
Partners	\$665 - \$1,295
Of Counsel	\$415 - \$1,195
Associates	\$450 - \$865
Paraprofessionals	\$170 - \$355

⁴ The rates described herein apply with respect to K&E's representation of (i) the Debtors, as special litigation counsel pursuant to the Retention Order, and (ii) the special committee of the boards of directors of LightSquared Inc. and LightSquared GP Inc.

⁵ For professionals and paraprofessionals residing outside of the U.S., hourly rates are billed in the applicable currency. When billing a U.S. entity, such foreign rates are converted into U.S. dollars at the then applicable conversion rate. After converting these foreign rates into U.S. dollars it is possible that certain rates may exceed the billing ranges listed in the chart herein.

⁶ For professionals and paraprofessionals residing outside of the U.S., hourly rates are billed in the applicable currency. When billing a U.S. entity, such foreign rates are converted into U.S. dollars at the then applicable conversion rate. After converting these foreign rates into U.S. dollars it is possible that certain rates may exceed the billing ranges listed in the chart herein.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true
and correct to the best of my knowledge and belief.

Dated: New York, New York
June 18, 2014

/s/ Eugene F. Assaf
Eugene F. Assaf, P.C.
Partner, Kirkland & Ellis LLP

Schedule 1

Name of Entity Searched	Name of Entity, and/or Affiliate of Entity, that is a K&E Client	Status
Artel Inc. Atrium	Artel Holdings, LLC Evolution Media Growth Partners II LLC Evolution Media Growth Partners LLC	Current Current Current
Bank of America Bank of America NA	BA Capital Company, L.P. Banc of America Capital Investors SBIC, L.P. BancAmerica Capital Investors SBIC II, L.P. BancBoston Ventures, Inc. Bank of America Capital Investors Bank of America Ventures Continental Illinois Venture Corporation	Current Current Current Current Current Current Current
BMC Software Inc.	Bain Capital Bain Capital Asia Fund, L.P. Bain Capital Asia, LLC Bain Capital Europe, LLC Bain Capital Europe, LLP Bain Capital Everest Manager Holding, S.C.A. Bain Capital Everest Manager S.a.r.l. Bain Capital Fund X, L.P. Bain Capital Limited Bain Capital Partners LLC Bain Capital Ventures Bain Capital, Inc. Bain Capital, LLC BMC Software, Inc. Sankaty Advisors Ltd. Sankaty Advisors, LLC Stephen M. Zide	Closed Former Current Current Current Current Current Former Current Current Current Current Closed Current Current Closed Current
Federal Communications Commission	2010-1 SFG Venture LLC	Current

Name of Entity Searched	Name of Entity, and/or Affiliate of Entity, that is a K&E Client	Status
Internal Revenue Service, Centralized Insolvency Operation	Gen. Eugene L. Tattini	Closed
National Weather Service	Jet Propulsion Laboratory	Closed
Shoshone National Forest	John Casani	Closed
Administration USDA Forest		
Service		
United States Army Corps of		
Engineers		
United States Army Corps of		
Engineers, Little Rock District		
United States Attorney for the		
District of New York		
United States Attorney for the		
Southern District of New York		
(SDNY), Office of		
United States Department of		
Agriculture (USDA)		
United States Department of		
Agriculture, Forest Service		
United States Department of		
Agriculture, National Finance		
Center (NFC)		
United States Department of		
Agriculture-North Fork		
United States Department of		
Homeland Security		
United States Department of		
Homeland Security, Director		
Foreign Financial & Investment		
Issues		
United States Department of Justice		
United States Department of Justice,		
Attorney General		
United States Department of		
Military Affairs, United States		
Property & Fiscal Officers (USPFO)		
For Kentucky		

Name of Entity Searched	Name of Entity, and/or Affiliate of Entity, that is a K&E Client	Status
<p>United States Department of Military Affairs, United States Property & Fiscal Officers (USPFO) For Texas</p> <p>United States Department of Military Affairs, United States Property & Fiscal Officers (USPFO) For West Virginia</p> <p>United States Department Veterans Affairs/VA Medical Center</p> <p>United States Federal Bureau of Investigation</p> <p>United States Forest Service</p> <p>United States Trustee, Office of the Western Area Power Administration (CA)</p>		
GCA Services Group Inc.	<p>Kennedy Plaza Partners III, LLC</p> <p>Kennedy Plaza Partners VI, L.P.</p> <p>Nautic Partners V, L.P.</p> <p>Nautic Partners VI AIV - No. 1 L.P.</p> <p>Nautic Partners VI, L.P.</p> <p>Nautic Partners VI-A AIV - No. 1 L.P.</p> <p>Nautic Partners VI-A, L.P.</p> <p>PEP Nautic Co-Investment Holdings LLC</p>	<p>Current</p> <p>Current</p> <p>Current</p> <p>Current</p> <p>Current</p> <p>Current</p> <p>Current</p> <p>Current</p>
<p>JPMorgan Chase NA</p> <p>J.P. Morgan Securities Inc.</p> <p>J.P. Morgan Securities LLC</p> <p>SIG Holdings Inc.</p>	Highbridge Principal Strategies, LLC	Current
<p>Sidera Networks</p> <p>Telx Entities</p> <p>Telx Group Inc., The</p>	Telx Holdings, Inc.	Current
<p>Simplexity</p> <p>Simplexity LLC</p> <p>Simplexity MVNO Services LLC</p>	Versa Capital Fund I Parallel, LP	Current
Siterra	<p>Turaz Global Sarl</p> <p>VCOF I FAF, LLC</p>	<p>Current</p> <p>Current</p>

Name of Entity Searched	Name of Entity, and/or Affiliate of Entity, that is a K&E Client	Status
	VCOF I-A, LLC	Current
	VCOF I-B, LLC	Current
	VFF II FAF, L.P.	Current
	Vista Credit Opportunities Fund I, L.P.	Current
	Vista Foundation Associates II, LLC	Current
	Vista Foundation Fund II Executive, L.P.	Current
	Vista Foundation Fund II, L.P.	Current
	Vista Foundation Fund II-A, L.P.	Current
UBS	Adam Galaburda	Current
UBS AG, Stamford Branch	UBS AG, Hong Kong Branch	Current
UBS Securities	UBS Global Asset Management Americas	Current
	UBS Securities Hong Kong Limited	Current
Velocitel Inc	Willis Stein & Partners Dutch III-A Sub, L.P.	Current
	Willis Stein & Partners Dutch III-A, L.P.	Current
	Willis Stein & Partners Dutch III-B Sub, L.P.	Current
	Willis Stein & Partners Dutch III-B, L.P.	Current
	Willis Stein & Partners III Sub, L.P.	Current
	Willis Stein & Partners III, L.P.	Current
	Willis Stein & Partners III-C Sub, L.P.	Current
	Willis Stein & Partners III-C, L.P.	Current